Amendments to the Specification:

Please replace the paragraph starting on pp 18 line 21 with the following

rewritten paragraph:

Figure 3 shows a diagram depicting the internal components of graphics

block 350 in accordance with one embodiment of the present invention in great

detail. Graphics block 350 includes an encryption unit 312 and a BIU 322 as

described above. Figure 3 also shows encryption unit 312 including an encryption

key register [312] 381 and BIU 322 including a device ID register 382.

Please replace the paragraph starting on pp 19 line 13 with the following

rewritten paragraph:

To facilitate recognition upon initial power up and the subsequent

management of the encryption-decryption processing, each functional block

coupled to bus 305 has a unique device ID used to manage its operation during

the various PCI data transfers (e.g., arbitration, initiating transactions, receiving

transactions, etc.). This device ID can be set during manufacturing, or can be

assigned by CPU block 360 during initial power-up and configuration. The device

ID is stored in device ID register [322] 382. Each functional block is also assigned

an encryption key during initial power-up and configuration by the CPU. This

encryption key is stored in encryption key register 381.

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Please replace the paragraph starting on pp 24 line 5 with the following rewritten paragraph:

Smart card 325 stores information needed by a cable system operator or digital broadcast system operator (e.g., a Multiple System Operator, MSO) in order to bill a subscriber for services used by the subscriber (for example, the viewing of a pay-per-view movie or event). Typically, smart card 325 also includes a key that is used to descramble digital broadcast signal 370 (if the signal is scrambled). In the present embodiment, smart card 325 is inserted into conditional access block 330; however, it is appreciated that in other embodiments smart card 325 may be coupled in a different manner to intelligent transceiver [300] 400 (for example, it may be inserted into either front-end block 310 or A/V decode block 340). Using the key from smart card 325, conditional access block 330 descrambles digital broadcast signal 370.

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